Health Care Quality and Cost Council
Enabling Statute

MGL Chapter 6A, as amended by Chapter 58 of the Acts of 2006

[Definitions]
Section 16J. As used in this section and in sections 16K and 16L, the following words shall ,unless the context clearly requires otherwise, have the following meanings:—
"Clinician", a health care professional licensed under chapter 112.
"Council", the health care quality and cost council, established by section 16K.
"Facility", a hospital, clinic or nursing home licensed under chapter 111 or a home health agency.
"Health care provider", a clinician, a facility or a physician group practice.
"Insurer", a carrier authorized to transact accident and health insurance under chapter 175, a nonprofit hospital service corporation licensed under chapter 176A, a nonprofit medical service corporation licensed under chapter 176B, a dental service corporation organized under chapter 176E, an optometric service corporation organized under chapter 176F and a health maintenance organization licensed under chapter 176G.
"Physician group practice", 2 or more physicians who deliver patient care, make joint use of equipment and personnel and divide income by a prearranged formula.

[Goal]
Section 16K. There shall be a health care quality and cost council within, but not subject to control of, the executive office of health and human services. The council shall establish health care quality improvement and cost containment goals. The goals shall be designed to promote high-quality, safe, effective, timely, efficient, equitable and patient-centered health care.

The council shall receive staff assistance from the executive office of health and human services and may, subject to appropriation, employ such additional staff or consultants as it may deem necessary.

[Membership]
The council shall consist of

- the secretary of health and human services,
- the auditor of the commonwealth or his designee,
- the inspector general or his designee,
- the attorney general or his designee,
- the commissioner of insurance,
- the executive director of the group insurance commission, and
- 7 persons to be appointed by the governor,
    - 1 of whom shall be a representative of a health care quality improvement organization recognized by the federal Centers for Medicare and Medicaid services,
    - 1 of whom shall be a representative of the Institute for Healthcare Improvement, Inc. recommended by the organization's board of directors,

- 1 of whom shall be a representative of the Massachusetts Chapter of the National Association of Insurance and Financial Advisors,
- 1 of whom shall be a representative of the Massachusetts Association of Health Underwriters,
- 1 of whom shall be a representative of the Massachusetts Medicaid Policy Institute,
- 1 of whom shall be an expert in health care policy from a foundation or academic institution and
- 1 of whom shall represent a non-governmental purchaser of health insurance.

The representatives of nongovernmental organizations shall serve staggered 3-year terms.

[Chair]
The council shall be chaired by the secretary of health and human services.

[Develop statewide healthcare goals]
Section 16L. (a) The council shall develop and coordinate the implementation of health care quality improvement goals that are intended to lower or contain the growth in health care costs while improving the quality of care, including reductions in racial and ethnic health disparities. For each such goal, the council shall identify the steps needed to achieve the goal; estimate the cost of implementation; project the anticipated short-term or long-term financial savings achievable to the health care industry and the commonwealth, and estimate the expected improvements in the health status of health care consumers in the commonwealth.

[Contract with independent health care organization]
(b) The council may, subject to chapter 30B, contract with an independent health care organization to provide the council with technical assistance related to its duties including, but not limited to, the development of health care quality goals, cost containment goals, performance measurement benchmarks, the design and implementation of health quality interventions, the construction of a consumer health information website and the preparation of reports, including any reports as required by this section. The independent health care organization shall have a history of demonstrating the skill and expertise necessary to:

(i) collect, analyze and aggregate data related to costs and quality across the health care continuum;
(ii) identify, through data analysis quality improvement areas;
(iii) work with Medicare, MassHealth, other payers' data and clinical performance measures;
(iv) collaborate in the design and implementation of quality improvement measures;
(v) establish and maintain security measures necessary to maintain confidentiality and preserve the integrity of the data;
(vi) design and implement health care quality improvement interventions with health care service providers; and
(vii) identify and, when necessary, develop appropriate measures of cost and quality for inclusion in the website.

To the extent possible, the independent organization shall collaborate with other organizations that develop, collect and publicly report health care cost and quality measures.

[plan for reporting on quality measures]
(c) Any independent organization under contract with the council shall develop and update on an annual basis a reporting plan specifying the cost and quality measures to be included on the internet site. The reporting plan shall be consistent with the requirements of subsections (a) and (b). The organization shall give consideration to those measures that are already available in the public domain and to whether it is cost effective for the council to license commercially available comparative data and consumer decision support tools. If the organization determines that making available through the internet site only those measures already available in the public domain would not fully comply with subsection (b) or would not provide consumers with sufficient information to make informed health care choices, the organization shall develop appropriate measures for inclusion on the internet site and shall specify in the reporting plan the sources from which it proposes to obtain the data necessary to construct those measures and any specifications for reporting of that data by insurers and health care providers. As part of the reporting plan, the organization shall determine for each service that comparative information is to be included on the internet site whether it is more practical and useful to: (1) list that service separately or as part of a group of related services; and (2) combine the cost information for each facility and its affiliated clinicians and physician practices or to list facility and professional costs separately. The independent organization shall submit the reporting plan and any periodic revisions to the council. The council shall, after due consideration and public hearing, adopt or reject the reporting plan or any revisions. If the council rejects the reporting plan or any revisions, the council shall state its reasons therefor. The reporting plan and any revisions adopted by the council shall be promulgated by the council.

[data collection & penalty for non-compliance]
(d) Insurers and health care providers shall submit data to the council or to the independent organization on behalf of the council, as required by regulations promulgated under subsection e. If any insurer or health care provider fails to submit required data to the council on a timely basis, the council shall provide written notice to the insurer or provider. If the insurer or health care provider fails, without just cause, to provide the required information within 2 weeks following receipt of said written notice, the insurer or provider may be required to pay a penalty of $1,000 for each week of delay; provided, however, that the maximum penalty under this section shall be $50,000.

[rules and regulations]
(e) The council may promulgate additional rules and regulations relative to the type of information that reasonably may be required and the format in which it should be provided for the implementation the quality improvement and cost containment goals.

[by-laws]
(f) The council may adopt by-laws for itself and for its advisory committee for the efficient operation of both organizations, and may recommend that public or private health care organizations be responsible for overseeing implementation of a goal and may assist these organizations in developing implementation plans.

[performance benchmarks – publish annually]
(g) The council shall develop performance measurement benchmarks for its goals and publish such benchmarks annually, after consultation with lead agencies and organizations and the council's advisory committee. Such benchmarks shall be developed in a way that advances a common national framework for quality measurement and reporting including, but not limited to measures that are approved by the National Quality Forum and adopted by the Hospitals Quality Alliance and other national groups concerned with quality. Performance benchmarks shall be clinically important and include both process and outcome data, shall be standardized, timely, and allow and encourage physicians, hospitals and other health care professionals to improve their quality of care. Any data reported by the council should be accurate and evidence-based, and not imply distinctions where comparisons are not statistically significant. Members of the advisory committee established by this section shall have reasonable opportunity to review and comment on all reports before public release.

[consumer information website]
(h) The council shall establish and maintain a consumer health information website. The website shall contain information comparing the cost and quality of health care services and may also contain general information related to health care as the council determines to be appropriate. The website shall be designed to assist consumers in making informed decisions regarding the medical care and informed choices between health care providers. Information shall be presented in a format that is understandable to the average consumer. The council shall take appropriate action to publicize the availability of its website and make available written documentation available upon request and as necessary.

(i) The internet site shall provide updated information on a regular basis, at least annually, and additional comparative cost and quality information shall be posted as determined by the council. To the extent possible, the internet site shall include:

(i) comparative quality information by facility, clinician or physician group practice for each service or category of service for which comparative cost information is provided,

(ii) general information related to each service or category of service for which comparative information is provided; and

(iii) comparative quality information by facility, clinician or physician practice that is not servicespecific, including information related to patient safety and satisfaction.

[public hearings]
(j) The council shall conduct annual public hearings to obtain input from health care industry stakeholders, health care consumers and the general public regarding the goals and the performance measurement benchmarks. The council shall invite the stakeholders involved in implementing or achieving each goal to assist with the implementation and evaluation of progress for each goal.

[annual report]
(k) The council shall review and file a report, not less than annually, with the joint committee on health care financing and the clerks of the house and senate on its progress in

achieving the goals of improving quality and containing or reducing health care costs. Reports of the council shall be made available electronically through an internet site.

[advisory committee]
(l) The council shall establish an advisory committee to allow the broadest possible involvement of health care industry and other stakeholders in the establishment of its goals and the review of its progress. The advisory committee shall include

- 1 member representing the Massachusetts Medical Society,
- 1 member representing the Massachusetts Hospital Association,
- 1 member representing the Massachusetts Association of Health Plans,
- 1 member representing Blue Cross Blue Shield of Massachusetts,
- 1 member representing the Massachusetts AFL-CIO,
- 1 member representing the Massachusetts League of Community Health Centers,
- 1 member representing Health Care For All, Inc.,
- 1 member representing the Massachusetts Public Health Association,
- 1 member representing the Massachusetts Association of Behavioral Health Systems,
- 1 member representing the Massachusetts Extended Care Federation,
- 1 member representing the Massachusetts Council of Human Service Providers,
- 1 member representing the Home Care Alliance of Massachusetts,
- 1 member representing Associated Industries of Massachusetts,
- 1 member of the Massachusetts Business Roundtable,
- 1 member of the Massachusetts Taxpayers Foundation,
- 1 member of the Massachusetts chapter of the National Federation of Independent Business,
- 1 member of the Massachusetts Biotechnology Council,
- 1 member representing the Blue Cross Blue Shield Foundation,
- 1 member representing the Massachusetts chapter of the American Association of Retired Persons,
- 1 member representing the Massachusetts Coalition of Taft Hartley Trust Funds, and
- additional members to be appointed by the governor which shall include, but not be limited to,
    - a representative of the mental health field,
    - a representative of pediatric health care,
    - a representative of primary care,
    - a representative of medical education,
    - a representative of racial or ethnic minority groups concerned with health care,
    - a representative of hospice care,
    - a representative of the nursing profession and
    - a representative of the pharmaceutical field.

[recommend legislative or regulatory changes]
(m) The council may recommend legislation or regulatory changes, including recommendations for the commonwealth's health care payment methodologies to promote the health care quality and cost containment goals set by the council, and the council may promulgate regulations under this section.

[disburse funds]
(n) Subject to appropriation, the council may disburse funds in the form of grants or loans to assist members of the health care industry in implementing the goals of the council.

[open meetings]
(o) All meetings of the council shall conform to chapter 30A, except that the council, through its bylaws, may provide for executive sessions of the council. No action of the council shall be taken in an executive session.

[council members' expenses]
(p) The members of the council shall not receive a salary or per diem allowance for serving as members of the council but shall be reimbursed for actual and necessary expenses reasonably incurred in the performance of their duties. The expenses may include reimbursement for reasonable travel and living expenses while engaged in council business.

[procurement]
(q) The council may, subject to chapter 30B and subject to appropriation, procure equipment, office space, goods and services, including the development and maintenance of the website.

[website – additional detail]
C.58 of the Acts of 2006
SECTION 136. The website to be established pursuant to section 16L of chapter 6A of the General Laws shall be operational not later than July 1, 2006 and shall include, at a minimum, links to other internet sites that display comparative cost and quality information. Not later than January 1, 2007, the internet site shall, at a minimum, include comparative cost information by facility and, as applicable, by clinician or physician group practice for obstetrical services, physician office visits, high-volume elective surgical procedures, high-volume diagnostic tests and high-volume therapeutic procedures. Cost information shall include, at a minimum, the average payment for each service or category or service received by each facility, clinician or physician practice on behalf of insured patients. Cost information shall be aggregated for all insurers and the council shall not publicly release the payment rates of any individual insurer which shall not be deemed to be public record.